

**Beauregard Parish Assessor
DeRidder, Louisiana**

**Basic Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2006
With Supplemental Information**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/18/07

**BEAUREGARD PARISH ASSESSOR
DERIDDER, LOUISIANA
BASIC FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2006**

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
Independent Auditor's Report		1
Required Supplemental Information (Part I): Management's Discussion and Analysis		3
Basic Financial Statements:		
Governmental Funds Balance Sheet/ Statement of Net Assets	A	9
Statement of Governmental Funds Revenues, Expenditures and Changes in Fund Balances/ Statement of Activities	B	10
Notes to the Financial Statements		11
	<u>Schedule</u>	<u>Page</u>
Required Supplemental Information (Part II):		
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	I	21
Notes to the Schedule of Revenues, Expenditures, and Fund Balances – Budget and Actual – General Fund		22
Independent Auditor's Report Required by Government Auditing Standards:		
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		23

**BEAUREGARD PARISH ASSESSOR
DERIDDER, LOUISIANA
BASIC FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2006**

TABLE OF CONTENTS (CONTINUED)

Schedule of Findings and Questioned Costs	2	25
Summary Schedule of Prior Audit Findings	3	26

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Independent Auditor's Report

Honorable Bobby L. Cudd, CLA
Beauregard Parish Assessor
DeRidder, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Beauregard Parish Assessor, a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2006 which collectively comprise the Beauregard Parish Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Beauregard Parish Assessor's management. Our responsibility is to express opinions on these financial statements based on our audit.


We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Beauregard Parish Assessor as of December 31, 2006, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 11, 2007, on our consideration of the Beauregard Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Beauregard Parish Assessor
DeRidder, Louisiana
Independent Auditor's Report
December 31, 2006

Management's Discussion and Analysis and the budgetary comparison on pages 3 through 8 and 21, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.


Jonesboro, Louisiana
May 11, 2007

Required Supplemental Information (Part I)

Management's Discussion and Analysis

BEAUREGARD PARISH ASSESSOR
Management's Discussion And Analysis
For The Year Ended December 31, 2006

As Management of the Beauregard Parish Assessor, I offer readers of the Beauregard Parish Assessor's financial statements this narrative overview and analysis of the financial activities of the Beauregard Parish Assessor as of and for the year ended December 31, 2006. I encourage readers to consider the information presented here in conjunction with the Assessor's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* ("GASB No. 34") issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

This is the third year the Beauregard Parish Assessor has presented its financial statements under the new reporting model required by Governmental Accounting Standards Board Statement No. 34. Because this new reporting model changes significantly not only the presentation of financial data, but also the manner in which the information is recorded, prior year comparative information for this reporting period's MDA has been included.

FINANCIAL HIGHLIGHTS

- The assets of the Assessor exceeded its liabilities at December 31, 2006, by \$1,209,412 (net assets).
- The Assessor's net assets increased by \$106,114 as a result of this year's operations.
- Total net assets are comprised of the following:
 - (1) Capital assets of \$23,744, which includes property and equipment, net of accumulated depreciation.
 - (2) Unrestricted net assets of \$1,185,668 represent the portion available to maintain the Assessor's continuing obligations to citizens and creditors.
- At December 31, 2006, the Assessor's governmental funds consist solely of the Assessor's general fund. The Assessor's governmental funds reported a total ending fund balance of \$1,185,668, an increase of \$101,150, including expenditures for capital assets. The entire fund balance is unreserved and available for spending at the Assessor's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the Beauregard Parish Assessor's basic financial statements. In accordance with GASB No. 34, the Beauregard Parish Assessor's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund

**Beauregard Parish Assessor
Management's Discussion and Analysis
For The Year Ended December 31, 2006**

financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements of the Assessor report information about the Assessor using accounting methods similar to those used by private sector companies. They present the financial picture of the Assessor from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the Assessor (including capital assets) as well as all liabilities (including long-term obligations).

The *Statement of Net Assets* presents information on all of the Assessor's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Assessor is improving or deteriorating.

The *Statement of Activities* presents the current year's revenues and expenses and other information showing how the Assessor's net assets changed during the year. The change in net assets is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for Beauregard, earned but unused sick leave).

The government-wide financial statements are presented on pages 9-10 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Assessor, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Assessor are categorized as governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Assessor maintains one individual governmental fund - the general fund. The Assessor adopts an annual appropriated budget for the general fund, and a budgetary comparison schedule is provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements are presented on pages 9-10 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Beauregard Parish Assessor
Management's Discussion and Analysis
For The Year Ended December 31, 2006**

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Assessor's budget presentation. The general fund's budgetary comparison schedule is included as "required supplementary information." Required supplementary information is information that the accounting rules strongly suggest be presented within the Assessor's financial report. This schedule demonstrates compliance with the Assessor's adopted and final revised budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Assessor implemented the new financial reporting model used in this report beginning with the current calendar year ended December 31, 2004. Over time, as we accumulate year-to-year financial information on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Assessor as a whole.

The Assessor's net assets at December 31, 2006, are summarized as follows:

Summary of Net Assets

	Governmental Activities	
	2006	2005
Assets:		
Current and Other Assets	\$ 1,189,466	\$ 1,085,562
Capital Assets (net of accumulated depreciation)	23,744	18,780
Total Assets	<u>1,213,210</u>	<u>1,104,342</u>
Liabilities:		
Current and Other Liabilities	3,798	1,044
Total Liabilities	<u>3,798</u>	<u>1,044</u>
Net Assets:		
Invested in Capital Assets, net of related debt	23,744	18,780
Unrestricted	1,185,668	1,084,518
Total Net Assets	<u>\$ 1,209,412</u>	<u>\$ 1,103,298</u>

The largest components of the Assessors' total assets are: (1) cash and investments of \$581,643 or 49% and (2) ad valorem taxes and state revenue sharing receivable of \$607,823 or 51%. Of the Assessor's total liabilities, the largest component is accounts payable of \$3,798 or 100%.

As noted earlier, net assets (total assets less total liabilities) may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Assessor's net assets totaled \$1,209,412. A portion of the Assessor's net assets reflect its investments in capital assets (equipment).

**Beauregard Parish Assessor
Management's Discussion and Analysis
For The Year Ended December 31, 2006**

Capital assets are non-liquid assets and cannot be utilized to satisfy the Assessor's obligations. The unrestricted net assets of the Assessor are available for future use. The unrestricted net assets equal 100% of the total operating expenses for the fiscal year ended December 31, 2006, which is equivalent to about 12 months of these expenses. This measure is an estimate of how long the Assessor might be expected to operate on its current resources.

Fiscal year 2006 is the third year the Assessor has implemented GASB No. 34; accordingly, a comparative analysis of current and prior year balances is included.

The Assessor's change in net assets for the year ended December 31, 2006, is summarized as follows:

Summary Statement of Changes in Net Assets

	<u>2006</u>	<u>2005</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 9,293	\$ 8,512
General Revenues:		
Property Taxes	616,673	577,015
State Revenue Sharing	51,078	51,127
Investment Earnings	33,715	18,817
Total Revenues	<u>710,759</u>	<u>655,471</u>
Expenses:		
Salaries and Related Benefits	450,519	440,233
Legal and Accounting	6,890	5,430
Supplies and Repairs	38,695	30,158
Insurance	80,231	76,868
Depreciation	9,298	18,545
Other	19,012	19,538
Total Expenses	<u>604,645</u>	<u>590,772</u>
Change in Net Assets	106,114	64,699
Net Assets - Beginning	<u>1,103,298</u>	<u>1,038,599</u>
Net Assets - Ending	<u>\$ 1,209,412</u>	<u>\$ 1,103,298</u>

Governmental activities increased net assets by \$106,114 for the year ended December 31, 2006.

**Beauregard Parish Assessor
Management's Discussion and Analysis
For The Year Ended December 31, 2006**

Key elements of the analysis of government-wide revenues and expenses reflect the following:

- The Assessor is heavily dependent on property taxes to support its operations. Property taxes provided 87% of the Assessor's total revenues.
- Revenue sharing provided by the State of Louisiana and program revenues totaled approximately 7% and 1%, respectively, of the Assessors current year resources.
- The Assessor's operations are primarily staff oriented. As a result, employee salaries and benefits make up approximately 74% of the total expenses.
- Insurance and supplies and repairs expenses comprise 13% and 6%, respectively, of total expenses.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The Assessor uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The financial statements of the Assessor present its General Fund. The General Fund is the Assessor's operating fund and the source of day-to-day service delivery. As discussed, the General Fund is useful in assessing the resources available at the end of the year in comparison with upcoming requirements.

At December 31, 2006, the Assessor's General Fund balance (total assets less total liabilities) totaled \$1,185,668, all of which was unreserved. The Assessor's unreserved fund balance increased by \$101,150 in 2006.

Total operating revenues reflect a 8% (\$55,288) increase in 2006 as compared to 2005 due primarily to a increase of \$39,658 in property tax revenues. Such increase in property taxes resulted primarily from a reassessment of the property located within Beauregard Parish.

Total operating expenses, including capital outlay, increased by 5%, \$27,681 from 2005 to 2006. The most significant increase in expenses occurred in salaries and related benefits expense.

GENERAL BUDGETARY ANALYSIS

The Assessor employs formal budgetary integration as a management control device during the year. Budgeted amounts included in the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual include the original adopted budget amounts and the final amended budget amounts. Original budgets for each year are adopted on or before December 31 of the year preceding the budget year. The original budget is based on estimated revenues, estimated expenses, and other financial information known to the Assessor at the time of the adoption of the budget. Amendments to the original budget are made throughout the year as changes in operations, in expected funding levels, and in estimated expenditures occur. The final amended budget is prepared at the time the Assessor anticipates no additional significant increases or decreases in revenues and expenses for the year and no expected changes in operations.

**Beauregard Parish Assessor
Management's Discussion and Analysis
For The Year Ended December 31, 2006**

The final amended budgeted revenues increased from the original budgeted revenues by 1% (\$1,917) due to an increase in property tax revenues. The difference between the final amended budgeted revenues and actual revenues for the year ended December 31, 2006, totaled \$59,307, and was attributable to an increase in property tax revenues which resulted primarily from a reassessment of the property located within Beauregard Parish. The final amended budgeted expenses increased from the original budgeted expenses by 5% (\$27,282), an insignificant variance. The actual expenses were \$3,109 more than the final amended budgeted expenses for the year ended December 31, 2006, which is also an insignificant variance.

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

Capital Assets

At the end of December 31, 2006, the Assessor had invested in various capital assets, including equipment, furniture, and vehicles. The capital assets are summarized below:

	<u>2006</u>	<u>2005</u>
Depreciable Assets:		
Computer Equipment	\$ 43,125	\$ 41,975
Furniture and Equipment	28,833	28,554
Vehicles	<u>19,495</u>	<u>25,043</u>
Totals	91,453	95,572
Less Accumulated Depreciation	<u>67,709</u>	<u>76,792</u>
Book Value-Depreciable Assets	<u>\$ 23,744</u>	<u>\$ 18,780</u>

ECONOMIC FACTORS AND FUTURE OUTLOOK

The Assessor's budgeted revenues and expenditures for 2007 are comparable to 2006's actual revenues and expenditures. The Assessor does not anticipate any changes in its day-to-day operations that will have a material effect on its 2007 budget or operations.

CONTACTING THE ASSESSOR'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Assessor's finances and to show its accountability for the money it receives. If you have questions about this report or need additional financial information, contact Bobby Cudd, at the Beauregard Parish Assessor's Office, Post Office Box 477, DeRidder, Louisiana 70634 or call at (337) 463-8945.

Basic Financial Statements

Statement A

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Governmental Funds Balance Sheet/Statement of Net Assets
December 31, 2006

	<u>General Fund</u>	<u>Adjustments Note 1</u>	<u>Statement of Net Assets</u>
ASSETS			
Investments	\$ 544,679	\$ -	\$ 544,679
Cash	36,964		36,964
Receivables	607,823		607,823
Capital assets, net of accumulated depreciation	-	23,744	23,744
Total Assets	<u>\$ 1,189,466</u>	<u>\$ 23,744</u>	<u>\$ 1,213,210</u>
LIABILITIES			
Accounts payable	\$ 3,798	-	\$ 3,798
Total Liabilities	<u>3,798</u>	<u>-</u>	<u>3,798</u>
FUND BALANCES/NET ASSETS			
Fund balances:			
Unreserved, reported in			
General Fund	1,185,668	(1,185,668)	-
Total Fund Balances	<u>1,185,668</u>	<u>(1,185,668)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,189,466</u>		
NET ASSETS			
Invested in Capital Assets, Net of Related Debt		23,744	23,744
Unrestricted		<u>1,185,668</u>	<u>1,185,668</u>
Total Net Assets		<u>\$ 1,209,412</u>	<u>\$ 1,209,412</u>

The accompanying notes are an integral part of this statement.

**BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana
GOVERNMENTAL FUNDS**

**Statement of Governmental Fund Revenues,
Expenditures, and Changes in Fund Balances/
Statement of Activities
For the Year Ended December 31, 2006**

	<u>General Fund</u>	<u>Adjustments Note 1</u>	<u>Statement of Activities</u>
EXPENDITURES/EXPENSES			
General government-taxation:			
Salaries and related benefits	\$ 450,519	\$ -	\$ 450,519
Legal and accounting	6,890	-	6,890
Insurance	80,231	-	80,231
Office supplies	26,330	-	26,330
Repairs and maintenance	12,365	-	12,365
Depreciation	-	9,298	9,298
Other	19,012	-	19,012
Capital outlay	14,262	(14,262)	-
Total Expenditures/Expenses	<u>609,609</u>	<u>(4,964)</u>	<u>604,645</u>
PROGRAM REVENUES			
Charges for services	9,293	-	9,293
Net Program Expense			<u>(595,352)</u>
GENERAL REVENUES			
Property taxes	616,673	-	616,673
State revenue sharing	51,078	-	51,078
Investment earnings	33,715	-	33,715
Total General Revenues	<u>701,466</u>	<u>-</u>	<u>701,466</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	101,150	(101,150)	-
CHANGE IN NET ASSETS		106,114	106,114
FUND BALANCE/NET ASSETS:			
Beginning of the Year	<u>1,084,518</u>	<u>-</u>	<u>1,103,298</u>
End of Year	<u>\$ 1,185,668</u>	<u>\$ -</u>	<u>\$ 1,209,412</u>

The accompanying notes are an integral part of this statement.

Notes to the financial Statements

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and movable property in the parish subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

The Assessor's office is located in the Beauregard Parish Courthouse in DeRidder, Louisiana. The Assessor employs seven deputies. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

At December 31, 2006, there are 37,227 real, movable, and public service property assessment listings totaling \$199,460,969. This represents an increase of 709 assessment listings. The total assessed valuation increased by \$11,584,186.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Beauregard Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Assessor's overall financial position and results of operations;
- Financial statements prepared using full accrual accounting for all of the Assessor's activities; and
- A change in the fund financial statements to focus on the major funds.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Beauregard Parish Police Jury is the financial reporting entity for Beauregard Parish. The financial reporting entity consists of (a) the

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Beauregard Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the Assessor's office is located, the Assessor was determined to be a component unit of the Beauregard Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the police jury, the general government services provided by the police jury, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The Assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Assessor functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

Governmental Funds

Governmental funds account for all or most of the Assessor's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources, which may be used to finance future period programs or operations of the Assessor. The following are the Assessor's governmental funds:

General Fund - The primary operating fund of the Assessor, it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Assessor's policy.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of Statements A and B are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Assessor's operations.

The amounts reflected in the General Fund of Statements A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Fees for preparing tax rolls are recorded in the year prepared. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

Based on the above criteria, ad valorem taxes, state revenue sharing, and fees for preparing tax rolls have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Assessor as a whole. These statements include all the financial activities of the Assessor. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from the Beauregard Parish Assessor's users as a fee for services; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

Reconciliation

The reconciliation of the items reflected in the funds columns to the Statement of Activities (Statement B) and Statement of Net Assets (Statement A) are as follows:

Statement B

Net Change in Fund Balance	\$ 101,150
Capital Outlay Recorded as Expenditures	14,262
Depreciation Expense	<u>(9,298)</u>
Change in Net Assets	<u>\$ 106,114</u>

Statement A

Fund Balance	\$ 1,185,668
Recording of Net Capital Assets	<u>23,744</u>
Net Assets	<u>\$ 1,209,412</u>

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

E. CASH AND CASH EQUIVALENTS

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2006, the Assessor has cash (book balance) totaling \$36,964. All cash is deposited in an interest bearing demand account.

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These deposits are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 2006, are secured as follows:

Bank balances	<u>\$57,563</u>
Federal deposit insurance	\$57,563
Pledged securities (uncollateralized)	233,298
Total	<u>\$290,861</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the Assessor, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106. However, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the Assessor's name.

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Approximately 2% of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 98% are based on actual historical costs. The Assessor maintains a threshold level of more than \$900 for capitalizing capital assets.

Capital assets and related expenses are recorded in the Statement of Net Assets and Statement of Activities, respectively, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

<u>Description</u>	<u>Estimated Lives</u>
Computers	3 -- 5 years
Equipment & Furniture	5 -- 10 years
Vehicle	5 years

G. INVESTMENTS

Under state law, the Assessor may invest funds in obligations of the United States, in federally insured investments, or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At December 31, 2006, the Assessor had investments in LAMP totaling \$544,679, which is stated at cost and approximates market.

The investment in LAMP at December 31, 2006, is not categorized in the three risk categories provided by GASB Codification 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S.33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

H. EMERGENCY AND VACATION LEAVE

Employees of the Assessor's office earn six days of emergency leave each year. Emergency leave is used for personal illness, family illness, and other personal problems. Unused emergency leave in the

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

current year converts to vacation leave in the following year. Employees are not paid for unused emergency leave upon resignation or retirement. In addition to unused emergency leave, employees of the Assessor's office earn vacation leave at varying rates, depending on their length of service. Vacation leave is not cumulative from year to year, and employees are not paid for unused vacation leave upon resignation or retirement. At December 31, 2006, there are no accumulated and vested benefits relating to emergency and vacation leave, which require accrual or disclosure.

I. RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the Assessor maintains commercial insurance policies covering: automobile liability, medical payments, uninsured motorist, and collision; surety bond coverage; and property insurance on the contents of his office in the parish courthouse. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amount.

2. PRINCIPAL TAXPAYERS

The following are the principal taxpayers for the parish and their 2006 assessed valuation (amounts expressed in thousands):

	Assessed Valuation	
	Amount	Percent of Total
Boise Cascade Corporation	\$41,779	20.94%
Meadwestvaco Corporation	5,036	2.52%
Central Louisiana Electric	4,517	2.26%
Beauregard Electric Coop	4,196	2.10%
Temple-Inland Incorporated	3,930	1.97%
Transcontinental Gas Pipe Line	3,456	1.73%
Ampacet Corporation	2,537	1.27%
Meriwether Louisiana	2,385	1.20%
Trunkline Gas Company	2,358	1.18%
Centennial Pipeline LLC	2,286	1.15%
Total	<u>\$72,480</u>	<u>36.32%</u>

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

3. RECEIVABLES

The General Fund receivables of \$607,823 at December 31, 2006, are as follows:

Ad valorem taxes	\$ 573,771
State revenue sharing	34,052
Total	<u>\$ 607,823</u>

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	December 31, 2005	Additions	Retirements	December 31, 2006
Governmental Activities:				
Computer Equipment	\$ 41,975	\$ 1,150	-	\$ 43,125
Office Equipment	7,722	1,995	(1,485)	8,232
Furniture	20,832	-	(231)	20,601
Vehicle	25,043	19,495	(25,043)	19,495
Total	<u>\$ 95,572</u>	<u>\$ 22,640</u>	<u>\$ (26,759)</u>	<u>\$ 91,453</u>
Less Accumulated Depreciation:				
Computer Equipment	\$ 37,146	\$ 2,162	-	\$ 39,307
Office Equipment	4,206	1,180	(1,485)	3,901
Furniture	20,832	-	(231)	20,601
Vehicle	14,608	5,987	(16,695)	3,900
Total	<u>76,792</u>	<u>9,329</u>	<u>(18,412)</u>	<u>67,709</u>
Capital Assets, Net	<u>\$ 18,780</u>	<u>\$ 13,311</u>	<u>\$ (8,347)</u>	<u>\$ 23,744</u>

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Financial Statements
As of and For the Year Ended December 31, 2006

5. PENSION PLAN

Substantially all employees of the Beauregard Parish Assessor's office are members of the Louisiana Assessor's Retirement System (System), a multiple-employer (cost-sharing), defined benefit plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3.33 per cent of their final-average salary for each year of credited service rendered, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, 3060 Valley Creek Road, Baton Rouge, Louisiana 70898, or by calling (225) 928-8886.

Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Beauregard Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:104, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Beauregard Parish Assessor's contributions to the System for the years ending December 31, 2006, 2005, and 2004, were \$50,894, \$51,301, and \$47,899, respectively, equal to the required contributions for each year.

6. POST RETIREMENT BENEFITS

The Beauregard Parish Assessor provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Assessor's employees become eligible for these benefits if they reach normal retirement while working for the Assessor. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the Assessor. The Assessor recognizes the cost of providing these benefits (Assessor's cost of premiums) as an expenditure when the monthly premiums are paid. For the year ended December 31, 2006, the total amount of premiums paid for active employees was \$63,840.

BEAUREGARD PARISH ASSESSOR

DeRidder, Louisiana

Notes to the Financial Statements

As of and For the Year Ended December 31, 2006

7. LITIGATION AND CLAIMS

At December 31, 2006, the Beauregard Parish Assessor is not involved in any litigation nor is he aware of any unasserted claims.

**8. EXPENDITURES OF THE ASSESSOR'S
OFFICE PAID BY THE POLICE JURY**

The Assessor's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4713, is paid by the Beauregard Parish Police Jury.

Required Supplemental Information (Part II)

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana
GOVERNMENTAL FUND - GENERAL FUND

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	GAAP Basis	Final Budget Over (Under)
REVENUES				
PROGRAM REVENUES				
Charges for services	\$ 7,700	\$ 4,500	\$ 9,293	\$ 4,793
GENERAL REVENUES				
Property taxes	572,500	561,000	616,673	55,673
State revenue sharing	50,835	50,952	51,978	126
Use of money - interest	18,500	35,000	33,715	(1,285)
Total revenues	649,535	651,452	710,759	59,307
EXPENDITURES				
General government-taxation:				
Salaries and related benefits	440,668	436,700	450,519	13,819
Legal and accounting	5,000	6,600	6,890	290
Insurance	76,000	93,800	80,231	(13,569)
Office supplies	22,000	22,800	26,330	3,530
Repairs and maintenance	6,450	12,000	12,365	365
Other	20,000	23,500	19,012	(4,488)
Capital Outlay	9,700	11,100	14,262	3,162
Total expenditures	579,218	606,500	609,609	3,109
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	70,317	44,952	101,150	56,198
FUND BALANCE (Deficit) AT BEGINNING OF YEAR	946,319	1,011,855	1,084,518	72,663
FUND BALANCE (Deficit) AT END OF YEAR	\$1,016,636	\$ 1,056,807	\$ 1,185,668	\$ 128,861

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Notes to the Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual
General Fund
As of and For the Year Ended December 31, 2006

BUDGETARY POLICIES

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. A public hearing is held at the Beauregard Parish Assessor's office for comments from taxpayers. The budget is then legally adopted by the Assessor and amended during the year, as necessary. The budget is established and controlled by the Assessor at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the Assessor.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the budget comparison accompanying the financial statements include the original adopted budget amount and all subsequent amendments. Encumbrance accounting is not used by the Assessor.

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Kenneth D. Folden & Co.

Kenneth D. Folden, CPA

Certified Public Accountants

Ted W. Sanderlin, CPA

Members

302 Eighth Street

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Bobby L. Cudd, CLA
Beauregard Parish Assessor
DeRidder, Louisiana

We have audited the basic financial statements of the Beauregard Parish Assessor, a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2006, and have issued our report thereon dated May 11, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

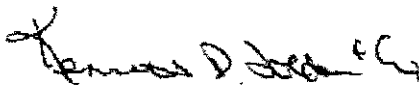
In planning and performing our audit, we considered the Beauregard Parish Assessor's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Beauregard Parish Assessor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Beauregard Parish Assessor
DeRidder, Louisiana
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters, etc.
December 31, 2006

This report is intended solely for the information and use of the Beauregard Parish Assessor, management of the Assessor's office, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Jonesboro, Louisiana
May 11, 2007

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2006

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Beauregard Parish Assessor.
2. No instances of noncompliance material to the financial statements of the Beauregard Parish Assessor were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting Based on an Audit Performed in Accordance With *Government Auditing Standards*.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2006

There were no audit findings reported in the audit for the year ended December 31, 2005.